

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

JUN - 2 2023

RICK WARREN
COURT CLERK

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AERONAUTICAL TITLE AND
ESCROW SERVICE, LLC,

Plaintiff,

v.

SHENZHEN ZHONGTIAN HENGYE,
INTERNATIONAL TRADE CO., LTD.,
and KAHUA CAPITAL, LLC,

Defendants.

CJ-2023-3104

PETITION FOR INTERPLEADER

Plaintiff, Aeronautical Title and Escrow Service, LLC (“AeroTitle”), pursuant to 12 O.S.

§ 2022, submits the following Petition for Interpleader in the above-entitled case.

THE PARTIES, JURISDICTION AND VENUE

1. AeroTitle is an Oklahoma limited liability company with its principal place of business in Oklahoma County, Oklahoma.

2. Upon information and belief, Defendant Shenzhen Zhongtian Hengye International Trade Co., Ltd. (“SZHIT”), is an international company with its principal place of business in China.

3. Upon information and belief, Defendant Kahua Capital, LLC (“Kahua”) is a limited-liability company organized in California.

4. AeroTitle acted as the escrow agent in connection with an Aircraft Purchase Agreement dated February 10, 2023 (the “Agreement”) and Amendment to the Purchase Agreement dated February 27, 2023 (the “Amendment”) between SZHIT and Kahua. Both the Agreement and Amendment were executed by SZHIT, Kahua, and AeroTitle.

5. The Agreement proposed a transaction involving a Gulfstream G650ER with Serial Number 6261 and required Kahua, as buyer, to make an initial deposit of \$2,000,000.00 into escrow. The Agreement also authorized an escrow fee of \$20,000.00 to be paid to AeroTitle.

6. The Amendment required Kahua, as buyer, to make an additional deposit of \$50,000.00 into escrow for inspection related flight and ferry costs, the exact cost of which would be determined at closing.

7. Kahua deposited \$2,050,000.00 into escrow as required under the Agreement and Amendment.

8. The sale was not completed. Representatives of both SZHIT and Kahua have argued that the Agreement requires release of the deposit to it. Based on the conflicting claims to the monies, AeroTitle has not released money to either party.

9. AeroTitle now seeks to interplead the \$2,050,000.00 to which a dispute has arisen and to which AeroTitle remains a neutral third-party.

10. The Agreement contained certain provisions entitling AeroTitle to interplead funds with the courts of the State of Oklahoma and Defendants consented to the jurisdiction of the courts of the State of Oklahoma to hear disputes relating to funds which are in the possession of AeroTitle.

11. Furthermore, in connection with the Agreement, and the intended purchase and sale of the airplane, Defendants engaged in conduct in Oklahoma County, Oklahoma, sufficient to establish jurisdiction in this Court, including, but not limited to, directing wire transfers to an account at a bank branch located in Oklahoma County, utilizing an escrow agent located in Oklahoma County, sending agreements, emails, and other correspondence to Oklahoma County, and making claims of ownership on money held in Oklahoma County.

12. Venue in this Court is proper because the funds in dispute are being held in Oklahoma County, Oklahoma.

FIRST CLAIM — INTERPLEADER

AeroTitle hereby adopts and incorporates by reference all statements and allegations contained in paragraphs 1 through 12 of its Petition as if fully set forth herein, and in addition, states:

13. In connection with the transaction contemplated by the Agreement, AeroTitle received funds in the amount of \$2,050,000.00, which was the required deposit under the Agreement as amended by the Amendment.

14. The transaction was not consummated as contemplated by the Agreement and, thereafter, a dispute arose as to the ownership of a portion of the funds held in escrow. AeroTitle has received conflicting claims from SZHIT and Kahua, as to which party is entitled to return of the \$2,050,000.00 held in escrow.

15. AeroTitle is now, and has at all times been, ready and willing to pay the entity legally entitled to the disputed portion of the escrow funds, but it has been unable to do so due to the conflicting claims to the disputed portion of the escrow funds.

16. AeroTitle is merely a stakeholder and has no interest in the disputed portion of the escrow funds or in the controversy pending with respect thereto other than recovery of its costs and legal fees relating to this interpleader action in accordance with 12 O.S. § 2022(c).

17. AeroTitle cannot return the disputed portion of the escrow funds without assuming responsibility of determining doubtful questions of fact and/or law, and without being subjected to the cost and expense of defending itself in a multitude of suits and the possibility of double or multiple payments of the amount of the disputed portion of the escrow funds.

18. In connection with this interpleader action, AeroTitle has been compelled to engage counsel and pay court costs for the purpose of protecting its interests arising out of the conflicting claims set forth above.

WHEREFORE, AeroTitle requests that the Court order as follows:

A. That the Defendants each be ordered to interplead and settle among themselves their respective rights in and to the disputed portion of the escrow funds;

B. That upon payment of the disputed portion of the escrow funds by AeroTitle to the Clerk of this Court, or such other place as the Court may direct, that the Court discharge AeroTitle from any further liability;

C. That the Court enter an order barring the Defendants from instituting or prosecuting any suit or proceeding against AeroTitle in any state, federal, or other court with regard to the escrow funds, a disputed portion or otherwise;

D. That AeroTitle is entitled to recover its costs and attorney fees relating to this interpleader action in accordance with 12 O.S. § 2022(c); and

E. For such other and further relief to which AeroTitle may be entitled.

Respectfully submitted,



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